



The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent over 96% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

**HB 5171      An Act Prohibiting The Executive Branch From Making Rescissions Or Other Reductions To The Education Cost Sharing Grant During the Fiscal Year**

**SB 8          An Act Implementing The Governor's Budget Recommendations Concerning Education**

Good afternoon, Co-Chairs Fleischman, Slossberg and Boucher, Ranking Member Lavielle and distinguished members of the Education Committee. My name is Tom Banisch, I am the First Selectman of Madison and presenting testimony today on behalf of CCM.

CCM supports HB 5171.  
CCM opposes SB 8.

We recognize the dire condition of the state's finances due to persistent budget deficits over the last few years, which have resulted in a reduction of state funding and services, including municipal aid. We in local governments have adjusted to this new reality and we continue to make difficult decisions to address budget shortfalls due to the reduction of state aid. **However, the proposals outlined in SB 8 are not a viable long-term solution to any of the issues Connecticut is facing with respect to education funding.** It is a step in the wrong direction and will serve as a breaking point for many communities.

Madison is a small town of about 18,000 people, In spite of various initiatives we are working on to augment our Grand List, we do not have the property tax base or growth opportunities to continually generate more revenue to subsidize steadily eroding state aid. Madison will have to absorb mid-year cuts totaling \$93,684. This includes a \$53,294 midyear reduction to our ECS grant.

**The State should not make promises it cannot keep.** CCM and I believe it is the State's responsibility to educate every child in Connecticut. While we recognize that not every town will be funded at the same level, midyear cuts to municipal education aid are devastating and

punishes towns and cities that have been fiscally responsible and made the tough decisions to ensure they have set a balanced budget by July 1.

These reductions will add additional pressure to the local property tax burden, our town's primary source of revenue. Education spending represents 69.4% of our municipal budget. As a result, reductions to municipal education aid hit towns and cities particularly hard, especially when the cuts are made midyear.

We are not being given sufficient time to plan for these cuts and as a result we will be left scrambling to address budgetary shortfalls. This situation is made worse by the inflexibility of the minimum budget requirement (MBR), which hand cuffs a town's ability to manage state municipal aid reductions.

These unexpected cost increases are compounded with unfunded and underfunded mandates and leave municipalities with no choice but to cut back on other municipal services and/or raise property taxes to continue paying for rising education expenditures. This specifically hurts our senior population, which is growing and many of whom are on fixed incomes.

CCM urges the Committee to **favorably report** on HB 5171 as it would prevent midyear cuts to municipal education aid in the form of rescissions, undefined lapses and holdbacks and take a step in the right direction of providing Connecticut towns and cities with more predictable and stable education funding.

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If you have any questions, please contact Daniel C. Giungi, Senior Legislative Associate for CCM, at [dgiungi@ccm-ct.org](mailto:dgiungi@ccm-ct.org) or (203) 498-3023.